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FISCAL IMPACT REPORT

SPONSOR Fox-Young ORIGINAL DATE 2/2/08
LAST UPDATED _____ HB 464
SHORT TITLE Cigarette Tax Stamp Procedures SB _____
ANALYST Francis

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY08	FY09	FY10		
	NFI			

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of Bill

House Bill 464 changes the time a distributor of cigarettes has to affix cigarette tax stamps on packages of cigarettes to 30 days from the current 10 day from the receipt of packages from a wholesaler or manufacturer.

The effective date is July 1, 2008.

FISCAL IMPLICATIONS

TRD reports that this change would have no state or local fiscal impact.

TECHNICAL ISSUES

TRD:

This bill may create minor difficulties tracking cigarettes that move through the state. For example, NMSA 1978 § 7-12-11 (A) requires that unstamped cigarettes being transshipped out of state be held in a separate area of the warehouse. By allowing these unstamped cigarettes to be on premises for up to thirty days, this provision of the law is effectively repealed.

NF/bb